

**NINTH AMENDMENT TO  
COMMITMENT TO PURCHASE FINANCIAL INSTRUMENT  
and  
HFA PARTICIPATION AGREEMENT**

This Ninth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the “Ninth Amendment”) is entered into as of the date set forth on Schedule A attached hereto as the Ninth Amendment Date (the “Amendment Date”), by and among the United States Department of the Treasury (“Treasury”), the undersigned party designated as HFA whose description is set forth in Schedule A attached hereto (for convenience, a “state housing finance agency” or “HFA”) and the undersigned institution designated by HFA to participate in the program described below (“Eligible Entity”).

**Recitals**

WHEREAS, Treasury, HFA and Eligible Entity entered into that certain Commitment to Purchase Financial Instrument and HFA Participation Agreement (the “Original HPA”) dated as of the Closing Date, as previously amended by that certain First Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the “First Amendment”), as further amended by that certain Second Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the “Second Amendment”), as further amended by that certain Third Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the “Third Amendment”) as further amended by that certain Fourth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the “Fourth Amendment”), as further amended by that certain Fifth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the “Fifth Amendment”), as further amended by that certain Sixth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the “Sixth Amendment”), as further amended by that certain Seventh Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the “Seventh Amendment”), and as further amended by that certain Eighth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement (the “Eighth Amendment”; and together with the Original HPA as amended thereby and by the First Amendment, Second Amendment, Third Amendment, Fourth Amendment, Fifth Amendment, Sixth Amendment, and Seventh Amendment the “Current HPA”), dated as of their respective dates all as set forth on Schedule A attached hereto, in connection with Treasury’s federal housing program entitled the Housing Finance Agency Innovation Fund for the Hardest Hit Housing Markets (the “HHF Program”), which was established pursuant to the Emergency Economic Stabilization Act of 2008 (P.L. 110-343), as amended, as the same may be amended from time to time (“EESA”);

WHEREAS, HFA and Eligible Entity submitted a request to Treasury to make certain revisions to their Service Schedules and Permitted Expenses, as applicable, and Treasury has agreed to the same;

WHEREAS, HFA, Eligible Entity and Treasury wish to enter into this Ninth Amendment to document all approved modifications to the Service Schedules and Permitted Expenses, as applicable;

Accordingly, in consideration of the representations, warranties, and mutual agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Treasury, HFA and Eligible Entity agree as follows.

## **Agreement**

### **1. Amendments**

A. Definitions. All references in the Current HPA to the “Agreement” shall mean the Current HPA, as further amended by this Ninth Amendment; and all references in the Current HPA to Schedules A or B shall mean the Schedules A or B attached to this Ninth Amendment. All references herein to the “HPA” shall mean the Current HPA, as further amended by this Ninth Amendment.

B. Schedule A. Schedule A attached to the Current HPA is hereby deleted in its entirety and replaced with Schedule A attached to this Ninth Amendment.

C. Schedule B. Schedule B attached to the Current HPA is hereby deleted in its entirety and replaced with Schedule B attached to this Ninth Amendment.

D. Schedule C. Schedule C attached to the Current HPA is hereby deleted in its entirety and replaced with Schedule C attached to this Ninth Amendment.

### **2. Representations, Warranties and Covenants**

A. HFA and Eligible Entity. HFA and Eligible Entity, each for itself, make the following representations, warranties and covenants to Treasury and the truth and accuracy of such representations and warranties and compliance with and performance of such covenants are continuing obligations of HFA and Eligible Entity, each as to itself. In the event that any of the representations or warranties made herein cease to be true and correct or HFA or Eligible Entity breaches any of its covenants made herein, HFA or Eligible Entity, as the case may be, agrees to notify Treasury immediately and the same shall constitute an Event of Default under the HPA.

(1) HFA and Eligible Entity each hereby certifies, represents and warrants as of the date hereof that each of the representations and warranties of HFA or Eligible Entity, as applicable, contained in the HPA are true, correct, accurate and complete in all material respects as of the date hereof. All covenants of HFA or Eligible Entity, as applicable, contained in the HPA shall remain in full force and effect and neither HFA, nor Eligible Entity is in breach of any such covenant.

(2) Eligible Entity has the full corporate power and authority to enter into, execute, and deliver this Ninth Amendment and any other closing documentation delivered to

Treasury in connection with this Ninth Amendment, and to perform its obligations hereunder and thereunder.

(3) HFA has the full legal power and authority to enter into, execute, and deliver this Ninth Amendment and any other closing documentation delivered to Treasury in connection with this Ninth Amendment, and to perform its obligations hereunder and thereunder.

**3. Miscellaneous**

A. The recitals set forth at the beginning of this Ninth Amendment are true and accurate and are incorporated herein by this reference.

B. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the HPA.

C. Any provision of the HPA that is determined to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of the HPA, and no such prohibition or unenforceability in any jurisdiction shall invalidate such provision in any other jurisdiction.

D. This Ninth Amendment may be executed in two or more counterparts (and by different parties on separate counterparts), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile or electronic copies of this Ninth Amendment shall be treated as originals for all purposes.

[SIGNATURE PAGE FOLLOWS; REMAINDER OF PAGE  
INTENTIONALLY LEFT BLANK]

**In Witness Whereof**, HFA, Eligible Entity and Treasury by their duly authorized officials hereby execute and deliver this Ninth Amendment to Commitment to Purchase Financial Instrument and HFA Participation Agreement as of the Amendment Date.

**HFA:**

INDIANA HOUSING AND COMMUNITY  
DEVELOPMENT AUTHORITY

By: /s/ J. Jacob Sipe  
Name: J. Jacob Sipe  
Title: Executive Director

**TREASURY:**

UNITED STATES DEPARTMENT OF THE  
TREASURY

By: \_\_\_\_\_  
Name: Timothy J. Bowler  
Title: Acting Assistant Secretary for  
Financial Stability

**ELIGIBLE ENTITY:**

INDIANA HOUSING AND COMMUNITY  
DEVELOPMENT AUTHORITY

By: /s/ J. Jacob Sipe  
Name: J. Jacob Sipe  
Title: Executive Director

## **EXHIBITS AND SCHEDULES**

Schedule A	Basic Information
Schedule B	Service Schedules
Schedule C	Permitted Expenses

**SCHEDULE A**  
**BASIC INFORMATION**

**Eligible Entity Information:**

Name of the Eligible Entity:	Indiana Housing and Community Development Authority <sup>1</sup>
Corporate or other organizational form:	body corporate and politic, established and existing under Indiana Code 5-20-1 et. seq.
Jurisdiction of organization:	Indiana
Notice Information:	

**HFA Information:**

Name of HFA:	Indiana Housing and Community Development Authority <sup>1</sup>
Organizational form:	body corporate and politic, established and existing under Indiana Code 5-20-1 et. seq.
Date of Application:	September 1, 2010
Date of Action Plan:	September 1, 2010

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<sup>1</sup> References in the Agreement to the term “HFA” shall mean the Indiana Housing and Community Development Authority (“IHCDA”) in its capacity as HFA as such term is used in the Agreement; and references in the Agreement to the term “Eligible Entity” shall mean IHCDA, in its capacity as Eligible Entity as such term is used in the Agreement.

Notwithstanding anything to the contrary in the Agreement, (A) for purposes of Section 4(G) thereof, (i) annual audited financial statements shall be due no later than one hundred eighty (180) days after the end of IHCDA’s fiscal year, and (ii) quarterly financial statements shall be due no later than forty-five (45) days after the end of each quarter commencing with the first full quarter ending after the Effective Date; provided that for any quarter IHCDA does not prepare unaudited financial statements for its internal use, or to be sent to a third party, such quarterly unaudited financial statement shall not be required and instead IHCDA shall provide to Treasury, no later than forty-five (45) days after the end of each quarter commencing with the first full quarter ending after the Effective Date, summary expenses by category [e.g., in-take partners, IHCDA specific expenses (e.g. salaries)], and last business day of the quarter’s Depository Account bank statement, which information will allow Treasury to review and confirm the funds used for the Services and Permitted Expenses; (B) for purposes of Section 7 thereof, the powers and authority of IHCDA shall be governed by and construed in accordance with the laws of the State of Indiana; and (C) for the purposes of Sections 2(C)(1) and 6(A)(2) thereof, references to the term “instrumentality” shall mean “body corporate and politic”.

Notice Information:	Same as notice information for Eligible Entity.
<u>Program Participation Cap:</u>	\$221,694,139.00
<u>Portion of Program Participation Cap Representing Original HHF Funds:</u>	N/A
<u>Portion of Program Participation Cap Representing Unemployment HHF Funds:</u>	\$82,762,859.00
<u>Permitted Expenses:</u>	\$30,313,760.00
<u>Closing Date:</u>	September 23, 2010
<u>First Amendment Date:</u>	September 29, 2010
<u>Second Amendment Date:</u>	March 9, 2011
<u>Third Amendment Date:</u>	September 28, 2011
<u>Fourth Amendment Date:</u>	January 25, 2012
<u>Fifth Amendment Date:</u>	July 17, 2012
<u>Sixth Amendment Date:</u>	September 28, 2012
<u>Seventh Amendment Date:</u>	March 8, 2013
<u>Eighth Amendment Date:</u>	December 12, 2013
<u>Ninth Amendment Date:</u>	July 31, 2014
<u>Eligible Entity Depository Account Information:</u>	See account information set forth in the Depository Account Control Agreement between Treasury and Eligible Entity regarding the HHF Program.

## **SCHEDULE B**

### **SERVICE SCHEDULES**

The Service Schedules attached as Schedule B to the Current HPA are hereby deleted in their entirety and replaced with the attached Service Schedules (numbered sequentially as Service Schedule B-1, Service Schedule B-2, et. seq.), which collectively comprise Schedule B to the HPA.



## **SERVICE SCHEDULE B-1**

### **Indiana Hardest Hit Fund Unemployment Bridge Program**

#### **Summary Guidelines**

<b>1) Program Overview</b>	<p>Indiana's Hardest Hit Fund Unemployment Bridge Program ("UBP") administered by the Indiana Housing and Community Development Authority ("IHCDA") offers qualifying homeowners who have experienced an involuntary employment-related financial hardship up to \$30,000 in primary mortgage payment assistance as follows:</p> <ol style="list-style-type: none"><li>1) For qualifying homeowners who experienced an involuntary employment-related financial hardship, and their monthly mortgage payment is unaffordable based on their current household income, IHCDA may provide temporary monthly assistance to cover the homeowner's first mortgage payment and related expenses ("Monthly Assistance").</li><li>2) For qualifying homeowners of Monthly Assistance who experienced an involuntary employment-related financial hardship that caused, or contributed to, an accumulated mortgage delinquency that they cannot resolve, IHCDA may provide additional funding at the outset of their Monthly Assistance to bring the homeowner's delinquent mortgage current ("Monthly Assistance with Reinstatement").</li><li>3) For qualifying homeowners who experienced an involuntary employment-related financial hardship that caused, or contributed to, an accumulated mortgage delinquency that they cannot resolve (but whose monthly mortgage payment is otherwise affordable based on the homeowner's current monthly household income, excluding unemployment insurance benefits), IHCDA may provide assistance to bring the homeowner's delinquent mortgage current ("Reinstatement Only").</li></ol>
<b>2) Program Goals</b>	<p>The goal of the UBP is to:</p> <ol style="list-style-type: none"><li>1) Provide eligible homeowners an opportunity to secure new employment, access training or education to improve employment options, or pursue other long-term, income-generating options to avoid foreclosure; and</li><li>2) Mitigate the effects of a recent involuntary employment-related financial hardship.</li></ol>
<b>3) Target</b>	IHCDA's target population is low-to-moderate income homeowners in

<b>Population / Areas</b>	any county in Indiana.
<b>4) Program Allocation (Excluding Administrative Expenses)</b>	\$100,000,000.00
<b>5) Borrower Eligibility Criteria</b>	<p>With respect to all borrowers:</p> <ul style="list-style-type: none"> <li>• Must own only one mortgaged home;</li> <li>• Must submit an affidavit documenting an involuntary employment-related financial hardship that occurred on or after January 1, 2008. Involuntary employment-related financial hardships may also include loss of income for borrowers who (a) served on active duty and were released due to a service-connected illness or injury or (b) were in the National Guard or Reserves and were called to active duty, provided that, in either case (a) or (b), the borrower meet the requisite household income guidelines for the respective type of assistance.</li> </ul> <p>In addition, one of the following must apply:</p> <ul style="list-style-type: none"> <li>• Monthly Assistance or Monthly Assistance with Reinstatement borrowers: <ul style="list-style-type: none"> <li>a) Must have a validated monthly first mortgage payment that exceeds 25% of the borrower's gross monthly household income, excluding unemployment insurance benefits ("Minimum Affordability Threshold");</li> <li>b) Current household income must be at or below 140% of AMI, adjusted for borrower household size;</li> <li>c) Must agree to engage in approved job training, education, or structured volunteer work (as defined by IHCDA), the completion of which must be verified on a quarterly basis to maintain eligibility; and</li> <li>d) Following the reinstatement portion of assistance, if applicable, there must be sufficient funds available within the Maximum Household Assistance cap to allow IHCDA to make at least 3 monthly mortgage payments to the servicer.</li> </ul> </li> </ul> <p>or:</p> <ul style="list-style-type: none"> <li>• Reinstatement-Only borrowers: <ul style="list-style-type: none"> <li>a) Must have a current maximum front-end housing debt-to-income ratio of 38%; and</li> <li>b) Must have an annual gross household income equal to or less</li> </ul> </li> </ul>

	than \$150,000.
<b>6) Property / Loan Eligibility Criteria</b>	<ul style="list-style-type: none"> <li>1-to-4 unit, owner-occupied primary residence or condominium (attached or detached) located in Indiana. Manufactured or mobile homes are eligible if on a foundation permanently affixed to real estate owned by the borrower. Land contracts are not eligible.</li> <li>The unpaid principal balance of the borrower's first-lien mortgage cannot exceed the conforming loan limit established by the Federal Housing Finance Agency, as modified from time to time.</li> </ul>
<b>7) Program Exclusions</b>	<ul style="list-style-type: none"> <li>Property is vacant, abandoned or condemned.</li> <li>Borrower has liquid assets, excluding retirement accounts, sufficient to make 9 monthly PITI payments.</li> <li>Borrowers with open home equity lines of credit.</li> </ul>
<b>8) Structure of Assistance</b>	All assistance is structured as a forgivable, non-recourse, non-amortizing loan, secured by a junior lien on the property. The loan has a term of 10 years and is forgiven at a rate of 20% per year in years 6 through 10 of the loan term. If the borrower sells the property before the forgiveness period expires, all net sale proceeds up to the full principal balance outstanding will be due and payable to IHCDA. All funds returned to the UBP may be recycled until December 31, 2017; thereafter, they must be returned to Treasury.
<b>9) Per Household Assistance</b>	Total assistance per household ("Maximum Household Assistance") is not to exceed \$30,000.
<b>10) Duration of Assistance</b>	<p>For Monthly Assistance or Monthly Assistance with Reinstatement borrowers, IHCDA may provide up to the borrowers' Maximum Household Assistance for a period of either: (i) 24 months or (ii) 3 months after an increase in household income that results in the borrower exceeding the Minimum Affordability Threshold, whichever comes first.</p> <p>For Reinstatement-Only borrowers, assistance is a one-time payment to the lender/servicer.</p>
<b>11) Estimated Number of Participating Households</b>	IHCDA estimates that approximately 8,000 households will receive assistance, inclusive of payments to clear delinquencies and assistance after re-employment.
<b>12) Program Inception / Duration</b>	IHCDA initially launched the HHF program on May 5, 2011. IHCDA anticipates that the program will continue until December 31, 2017.
<b>13) Program Interaction with</b>	Borrowers may receive more than one type of Hardest Hit Fund assistance through IHCDA .

<b>Other Programs (e.g. other HFA programs)</b>	The total amount of assistance provided may not exceed \$30,000.
<b>14) Program Interactions with HAMP</b>	Borrowers will be pre-screened for HAMP, HAFA and HAMP-UP and programs offered by lenders. HHF funds can be utilized before or after assistance from HAMP-UP.
<b>15) Program Leverage</b>	No leveraging from banks and servicers is required. IHCDCA enters into participation agreements with servicers interested in participating in the UBP that sets forth IHCDCA's expectations for servicers.
<b>16) Qualify as an Unemployment Program</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## **SERVICE SCHEDULE B-2**

### **Indiana Hardest Hit Fund Recast/Modification Program**

#### **Summary Guidelines**

<b>1) Program Overview</b>	<p>Under Indiana's Hardest Hit Fund Recast/Modification Program ("RMP") the Indiana Housing and Community Development Authority ("IHCDA") offers qualifying individuals who are experiencing certain financial hardships up to \$30,000 in primary mortgage payment assistance, as follows:</p> <ol style="list-style-type: none"><li>1) For homeowners whose lender/servicer elects to participate and who are struggling to make their mortgage payment due to an involuntary financial hardship, IHCDA may provide a first mortgage principal balance payment to facilitate a recast/re-amortization by the servicer that results in an affordable monthly mortgage payment as defined in program guidelines ("Recast Borrowers").</li></ol> <p>If necessary, Reinstatement-Only assistance (as defined in Service Schedule B-1, Indiana Hardest Hit Fund Unemployment Bridge Program) may be combined with the first mortgage principal balance payment, provided that sufficient funds remain within the Maximum Household Assistance amount following reinstatement to achieve an affordable payment through recast/re-amortization.</p> <ol style="list-style-type: none"><li>2) For certain homeowners whose lender/servicer elects to participate, IHCDA may provide Reinstatement Assistance in conjunction with a permanent mortgage loan modification by the servicer ("Modification Borrowers"). Upon acceptance by the servicer, homeowners whose delinquency is above the amount of the Maximum Household Assistance may still qualify for such loan modification. HHF funds may be utilized for principal reduction, if necessary to facilitate a modification.</li></ol>
<b>2) Program Goals</b>	<p>The goal of the RMP is to help homeowners avoid foreclosure by reducing their monthly first mortgage payment to a more manageable level.</p>
<b>3) Target Population / Areas</b>	<p>IHCDA's target population is low-to-moderate income homeowners in any county in Indiana.</p>
<b>4) Program Allocation (Excluding</b>	<p>\$15,000,000.00</p>

<b>Administrative Expenses)</b>	
<b>5) Borrower Eligibility Criteria</b>	<p>With respect to all borrowers:</p> <ul style="list-style-type: none"> <li>• Must own only one mortgaged home;</li> <li>• Current household income must be at or below 140% of AMI, adjusted for borrower household size;</li> <li>• Must submit an affidavit documenting involuntary financial hardship that occurred on or after January 1, 2008, including, but not limited to, involuntary loss or reduction in employment income, significant out-of-pocket medical expenses, death of a contributing household member, or divorce. Involuntary employment-related financial hardships may also include loss of income for borrowers who (a) served on active duty and were released due to a service-connected illness or injury or (b) were in the National Guard or Reserves and were called to active duty ("Military Duty Hardship").</li> </ul> <p>In addition:</p> <ul style="list-style-type: none"> <li>• With respect to Recast Borrowers only: <ul style="list-style-type: none"> <li>a) Must have experienced a minimum reduction in household income of 15% (20% reduction in gross receipts if self-employed).</li> <li>b) To qualify with a medical expense hardship, the borrower's out-of-pocket expenses must be related to non-cosmetic medical procedures or emergencies, and must be greater than or equal to 10% of gross household income (15% of gross receipts if self-employed) for homeowners under the age of 65. For homeowners age 65 or older, medical expenses must be greater than or equal to 7.5% of gross household income.</li> <li>c) Must have a post-assistance front-end housing debt-to-income ratio of between 31% and 38%.</li> <li>d) To qualify with a Military Duty Hardship, the loss of income must result in a reduction in gross household income of greater than or equal to (a) 7.5% for borrowers who served on active duty and were released due to a service-connected illness or injury or (b) 10% for borrowers who were in the National Guard or Reserves and were called to active duty.</li> <li>e) Eligibility for recast/re-amortization will be determined by IHCD.</li> </ul> </li> <li>• With Respect to Modification Borrowers only, additional eligibility for loan modification will be determined by the mortgage servicer.</li> </ul>
<b>6) Property / Loan</b>	<ul style="list-style-type: none"> <li>• 1-to-4-unit, owner-occupied primary residence or condominium</li> </ul>

<b>Eligibility Criteria</b>	<p>(attached or detached) located in Indiana. Manufactured or mobile homes are eligible if on a foundation permanently affixed to real estate owned by the borrower. Land contracts are not eligible.</p> <ul style="list-style-type: none"> <li>• The unpaid principal balance of the borrower's first-lien mortgage cannot exceed the conforming loan limit established by the Federal Housing Finance Agency, as modified from time to time.</li> </ul>
<b>7) Program Exclusions</b>	<ul style="list-style-type: none"> <li>• Property is vacant, abandoned or condemned.</li> <li>• Borrower has liquid assets sufficient to make 9 monthly PITI payments, excluding retirement accounts.</li> <li>• Borrowers with open home equity lines of credit.</li> </ul>
<b>8) Structure of Assistance</b>	<p>All assistance is structured as a forgivable, non-recourse, non-amortizing loan, secured by a junior lien on the property. The loan has a term of 10 years and is forgiven at a rate of 20% per year in years 6 through 10 of the loan term. If the borrower sells the property before the forgiveness period expires, all net sale proceeds up to the full principal balance outstanding will be due and payable to IHCDA. All funds returned to the RMP may be recycled until December 31, 2017; thereafter, they must be returned to Treasury.</p>
<b>9) Per Household Assistance</b>	<p>Total assistance per household ("Maximum Household Assistance") is not to exceed \$30,000.</p>
<b>10) Duration of Assistance</b>	<p>Assistance under RMP is a one-time payment to the mortgage lender/servicer.</p>
<b>11) Estimated Number of Participating Households</b>	<p>IHCDA estimates that approximately 2,000 households will receive RMP assistance.</p>
<b>12) Program Inception / Duration</b>	<p>IHCDA initially launched the HHF program on May 5, 2011. IHCDA anticipates that the program will continue until December 31, 2017.</p>
<b>13) Program Interaction with Other Programs (e.g. other HFA programs)</b>	<p>Borrowers may receive more than one type of Hardest Hit Fund assistance through IHCDA.</p> <p>The total amount of assistance provided to any individual household may not exceed \$30,000.</p>
<b>14) Program Interactions with HAMP</b>	<p>Borrowers will be pre-screened for HAMP, HAFA and HAMP-UP and other programs offered by lenders. HHF funds can be utilized before or after assistance from HAMP-UP.</p>
<b>15) Program</b>	<p>No leveraging from banks or servicers is required. IHCDA enters into</p>

<b>Leverage</b>	participation agreements with servicers interested in participating in the RMP that sets forth IHCDAs' expectations for servicers, including acceptance of payment from IHCDAs.
<b>16) Qualify as an Unemployment Program</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No



## **SERVICE SCHEDULE B-3**

### **Indiana Hardest Hit Fund Transition Assistance Program**

#### **Summary Guidelines**

<b>1) Program Overview</b>	<p>Under Indiana's Hardest Hit Fund Transition Assistance Program ("TAP") the Indiana Housing and Community Development Authority ("IHCDA") will provide transition assistance to eligible homeowners with unaffordable mortgage payments who obtain a short sale or deed-in-lieu of foreclosure from their lender/servicer and leave their home in a marketable condition.</p> <p>The following TAP assistance will be available:</p> <ul style="list-style-type: none"><li>a) \$2,500 to the homeowner to assist with moving and relocation expenses ("Transition Assistance"); and</li><li>b) Up to \$5,000 to lenders/servicers to extinguish and release subordinate liens as part of a short sale or deed-in-lieu of foreclosure agreement.</li></ul>
<b>2) Program Goals</b>	<p>The goal of the TAP is to prevent avoidable foreclosure and help stabilize neighborhoods by helping homeowners to achieve an orderly exit from their home.</p>
<b>3) Target Population / Areas</b>	<p>IHCDA's target population is low-to-moderate income homeowners in any county in Indiana.</p>
<b>4) Program Allocation (Excluding Administrative Expenses)</b>	<p>\$1,380,379.00</p>
<b>5) Borrower Eligibility Criteria</b>	<p>With respect to all borrowers:</p> <ul style="list-style-type: none"><li>• Owning only one mortgaged home.</li><li>• Current household income at or below 140% of AMI, adjusted for borrower household size.</li><li>• Submission of affidavit documenting involuntary financial hardship that occurred on or after January 1, 2008.</li><li>• The short sale or deed-in-lieu transaction must not have occurred prior to the application for transition assistance funds.</li><li>• Military personnel who have received a permanent change of station order necessitating a short sale or deed in lieu of foreclosure are also eligible.</li></ul>

<b>6) Property / Loan Eligibility Criteria</b>	<ul style="list-style-type: none"> <li>One-to-four-unit, owner-occupied primary residence or condominium (attached or detached) located in Indiana. Manufactured or mobile homes are eligible if on a foundation permanently affixed to real estate owned by the borrower. Land contracts are not eligible.</li> <li>The unpaid principal balance of the borrower's first-lien mortgage cannot exceed the conforming loan limit established by the Federal Housing Finance Agency, as modified from time to time.</li> </ul>
<b>7) Program Exclusions</b>	<ul style="list-style-type: none"> <li>Property is vacant, abandoned or condemned.</li> <li>Borrower has liquid assets sufficient to make 9 monthly PITI payments, excluding retirement accounts.</li> </ul>
<b>8) Structure of Assistance</b>	TAP funds will be provided to eligible homeowners as a non-recoverable grant.
<b>9) Per Household Assistance</b>	Maximum assistance per household available under TAP is \$7,500.
<b>10) Duration of Assistance</b>	Assistance is a one-time payment to the homeowner and a one-time payment to the lender/servicer.
<b>11) Estimated Number of Participating Households</b>	IHCDA estimates that a minimum of 184 participating households will receive TAP assistance.
<b>12) Program Inception / Duration</b>	IHCDA initially launched the HHF program on May 5, 2011. IHCDA anticipates that the program will last through December 31, 2017.
<b>13) Program Interaction with Other Programs (e.g. other HFA programs)</b>	Homeowners who received Indiana Hardest Hit Fund Unemployment Bridge Program assistance through IHCDA may also receive TAP assistance.
<b>14) Program Interactions with HAMP</b>	Transition Assistance funds may be used in conjunction with HAFA.
<b>15) Program Leverage</b>	No leveraging from banks and servicers is required. IHCDA enters into participation agreements with servicers interested in participating in the TAP that sets forth IHCDA's expectations for servicers, including acceptance of payment from IHCDA.
<b>16) Qualify as an Unemployment</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

<b>Program</b>	
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## **SERVICE SCHEDULE B-4**

### **Indiana Hardest Hit Fund Blight Elimination Program**

#### **Summary Guidelines**

<b>1) Program Overview</b>	Under Indiana’s Hardest Hit Fund Blight Elimination Program (“BEP”) the Indiana Housing and Community Development Authority (“IHCDA”) will work with applicants and their Program Partners ( <i>i.e.</i> , nonprofit entities (“NFPs”), community development corporations (“CDCs”), land banks and/or for-profit entities) to strategically target residential properties for demolition and greening within the state of Indiana.
<b>2) Program Goals</b>	The goal of the BEP is to decrease foreclosures, stabilize homeowner property values and increase neighborhood safety in communities across the state of Indiana through the demolition and greening of vacant, abandoned and blighted residential properties. IHCDA will work with applicants and their Program Partners to identify meaningful indicators that will enable them to track and quantify the BEP’s impact in the designated communities.
<b>3) Target Population / Areas</b>	Municipalities located within the state of Indiana (“Applicants”) will be eligible to apply for BEP property eligibility through a competitive application process. Each Applicant will apply in one of six population divisions based on the population of the county in which the Applicant is located.
<b>4) Program Allocation (Excluding Administrative Expenses)</b>	\$75,000,000
<b>5) Property Eligibility Criteria</b>	<p>IHCDA will determine property eligibility.</p> <p>Each property for which an Applicant requests blight elimination funding will be individually scored based on factors including, but not limited to:</p> <ul style="list-style-type: none"><li>• Inhabitability of Property</li><li>• Structural Damage</li><li>• Public Safety Impact</li></ul> <p>Properties will be evaluated using a scoring matrix created by IHCDA and will be required to meet a minimum threshold score to be targeted for receipt of blight elimination funds.</p>

<b>6) Property / Loan Eligibility Criteria</b>	<p>Vacant, abandoned and blighted residential properties located in Indiana.</p> <p>A Program Partner must hold title to the property.</p>
<b>7) Program Exclusions</b>	<p>Commercial structures.</p> <p>Properties listed on a national, state, or local historic register.</p>
<b>8) Structure of Assistance</b>	<p>IHCDA will determine project sites in direct consultation with Applicants.</p> <p>Program Partners will be responsible for property acquisition (if necessary), demolition work and on-going property stabilization.</p> <p>Applicants must submit in their application to IHCDA for BEP funds, information including, but not limited to, the following:</p> <ul style="list-style-type: none"> <li>• A full and complete list of all properties the applicant seeks to make eligible</li> <li>• Acquisition information</li> <li>• The Program Partner responsible for the property</li> <li>• The post-demolition goal for each lot</li> <li>• Demolition bids from licensed contractors that include the removal of all debris, the backfill of basements or cellars, and any necessary environmental remediation</li> </ul> <p>Upon receipt of appropriate documentation confirming the completion of BEP activities, IHCDA will provide Hardest Hit funding to Partner after Partner's execution of a secured lien mortgage and note for a maximum of \$25,000 in favor of IHCDA.</p> <p>Total assistance will include acquisition (if necessary), demolition, and property stabilization costs. Property stabilization costs will be a maximum of \$1,000 per year for a term of three years.</p> <p>The secured lien mortgage and notes will be structured as zero percent, non-amortizing loans, secured by a lien on the property. Loans will expire three years after their origination date ("Expiration Date"). Prior to the Expiration Date, loans will be forgiven at a rate of 33.3% per annum as long as covenants are met.</p> <p>The outstanding loan balance will become due and payable if a property is sold or title transferred, or unauthorized use prior to the Expiration Date. The method for calculating the outstanding balance will be</p>

	<p>determined based upon the time and method of transfer. The outstanding balance may include any and all net sale proceeds and/ or the full principal balance of the loan. Prior to the Expiration Date, all proceeds will be due and payable to IHCD. All proceeds returned to the IHCD from the BEP may be recycled until December 31, 2017; thereafter, the funds must be returned to Treasury.</p> <p>Special considerations may be made by IHCD to release or subordinate its lien prior to expiration based upon the merit of the request and the proposed positive economic impact to the community as set forth in the program guidelines.</p>
<b>9) Per Household Assistance</b>	Maximum of \$25,000 per property, which includes the costs of acquisition (if necessary), demolition and property stabilization for a period of 3 years.
<b>10) Duration of Assistance</b>	One-time assistance per property
<b>11) Estimated Number of Participating Households</b>	IHCD estimates that between 3000 and 5000 properties could be served under this program.
<b>12) Program Inception / Duration</b>	IHCD anticipates program roll-out during the first quarter of 2014. Based on anticipated demand, funds allocated to BEP will likely be exhausted by the end of 2016.
<b>13) Program Interaction with Other Programs (e.g. other HFA programs)</b>	Property will only be eligible for one IHCD Hardest Hit Fund Program.

**SCHEDULE C**  
**PERMITTED EXPENSES**

	Indiana
<b><i>One-time / Start-Up Expenses:</i></b>	
Initial Personnel	\$0.00
Building, Equipment, Technology	\$89,000.00
Professional Services	\$120,000.00
Supplies / Miscellaneous	\$3,150.00
Marketing /Communications	\$175,000.00
Travel	\$10,000.00
Website development /Translation	\$175,000.00
Contingency	\$5,000.00
<b>Subtotal</b>	<b>\$577,150.00</b>
<b><i>Operating / Administrative Expenses:</i></b>	
Salaries	\$3,500,000.00
Professional Services (Legal, Compliance, Audit, Monitoring)	\$2,000,000.00
Travel	\$87,000.00
Buildings, Leases & Equipment	\$321,550.00
Information Technology & Communications	\$3,500,000.00
Office Supplies/Postage and Delivery/Subscriptions	\$122,260.00
Risk Management/ Insurance	\$10,000.00
Training	\$75,000.00
Marketing/PR	\$2,200,000.00
Miscellaneous	\$1,000,000.00
<b>Subtotal</b>	<b>\$12,815,810.00</b>
<b><i>Transaction Related Expenses:</i></b>	
Recording Fees	\$320,000.00
Wire Transfer Fees	\$234,400.00
<b><i>Counseling Expenses</i></b>	
File Intake	\$2,750,000.00
Decision Costs	\$7,500,000.00

Successful File	\$3,750,000.00
Key Business Partners On-Going	\$2,366,400.00
<b>Subtotal</b>	<b>\$16,920,800.00</b>
<b>Grand Total</b>	<b>\$30,313,760.00</b>
<b>% of Total Award</b>	<b>13.67%</b>
<b>Award Amount</b>	\$221,694,139.00